

**Exhibit H
D3**

Criteria for Affordable Replacement Dwelling Units, Tenants, Rents and Eligible Household Income

The Project shall be used as a mixed-income rental residential development having [] [NOTE: D3 to be 100% affordable] dwelling units in the Project operated as affordable housing (such dwelling units may be referred to as "Affordable Replacement Dwelling Units" or as "ARU Unit(s)"). At all times during the term of the Lease Tenant shall maintain, as applicable, all ARU Units in compliance with: (a) the federal Low-Income Housing Tax Credit Program, as described in Section 42 of the Internal Revenue Code ("LIHTC Program") laws, and rules, and regulations promulgated by the U. S. Department of Housing and Urban Development and/or the Virginia Housing Development Authority in connection with the LIHTC Program, for so long as the Project is otherwise subject to LIHTC Program restrictions and (b) with the terms and conditions of the Lease and this Exhibit H thereto. Notwithstanding anything herein to the contrary, so long as an ARU Unit is part of the LIHTC Program, then Tenant shall comply with the requirements of (a) and (b) above with respect to such ARU Unit; at such time as an ARU Unit is not a part of the LIHTC Program, then Tenant need only comply with requirements of (b) above with respect to such ARU Unit.

1. Affordable Replacement Dwelling Unit Floor Area

A. The minimum net rentable square footage for all ARU Units in the Project shall be approximately as follows:

1-Bedroom Unit:	square feet
2-Bedroom Unit:	square feet
3-Bedroom Unit:	square feet

The floor area for such ARU Units shall be determined in accordance with the net rentable square footage definition of the Zoning Ordinance, except the following features will not represent any part of the net rentable square footage: balconies, porches, decks, breezeways, stoops and stairs which may be roofed but which have at least one open side; or breezeways which may be roofed but which have two (2) open ends. An open side or open end shall have no more than fifty (50) percent of the total area between the side(s), roof and floor enclosed with railings, walls, or architectural features.

B. Nothing included herein precludes the developer from providing larger sized units, in terms of the square footage and/or number of bedrooms.

C. The minimum size of any bedroom in any unit approved on the site, exclusive of all closet area, shall not be less than 100 square feet. The number of bathrooms by unit type is as follows:

Number of Units	Unit Type	Number of Bathrooms
	1-Bedroom Unit Type A:	bathrooms
	2-Bedroom Unit Type A:	bathrooms

2-Bedroom Unit Type B:
3-Bedroom Unit:

bathrooms
bathrooms

2. Designation on Approved Plans

Approved site plans and building plans shall include a table setting forth the number of units in each of the bedroom count categories and shall demonstrate that such units meet the minimum floor area limitations. The ARU Units accepted as part of proffered conditions associated with a rezoning application for the Project and included on approved site plans shall be deemed features shown for purposes of Va. Code Ann. §15.2-2232 and, as such, shall not require further approvals pursuant thereto in the event the Board of Supervisors shall acquire or lease such units.

3. Administration of Rental Affordable Dwelling Units

A. All ARU Units are to be initially leased for a minimum six (6) -month term with a maximum term of one (1) year and maximum renewal term(s) of one (1) year to tenants who meet the eligibility criteria established in accordance with the Lease, including, but not limited to, the terms of this Exhibit H and/or all applicable LIHTC Program requirements. Such leases are referred to as "Affordable Housing Leases" and qualified tenant occupants of such ARU Units are referred to herein as "Affordable Housing Tenants." The Affordable Housing Leases for ARU Units shall include conditions that require the Affordable Housing Tenant to occupy the ARU Unit as his or her domicile, that prohibit the subleasing of the unit, that require continued compliance with the applicable eligibility criteria, and that require the Affordable Housing Tenant to annually certify, on a form approved by the Fairfax County Department of Housing and Community Development ("DHCD"), the total household annual income and such other facts that the Tenant may require in order to ensure that the Affordable Housing Tenant household continues to meet the applicable eligibility criteria. A preference shall be given to returning tenants pursuant to the Relocation Plan approved by Landlord. The fact that an Affordable Housing Tenant applicant does not possess a housing choice (a/k/a "Section 8") voucher or other portable subsidy shall not be a permissible reason for Tenant to reject or discriminate against such applicant; provided, however, that the Tenant shall be allowed to apply reasonable credit, background and other admissions criteria to all applicants, subject to any limitations set forth in the Relocation Plan with respect to persons being relocated thereunder.

B.

- (1) As used in this Exhibit, area median income ("AMI"), or any specified percentage of AMI, means the annual estimate of area median income, or percentage thereof, for the Washington Metropolitan Statistical Area ("WMSA") published by the United States Department of Housing and Urban Development ("HUD"), as adjusted for household size.
- (2) Affordable Housing Tenant households must continue to meet the eligibility and income criteria set forth in this Exhibit H in order to continue occupancy of the ARU Unit, provided that (a) during any period in which a unit is subject to LIHTC Program restrictions, an Affordable Housing Tenant household will continue to be eligible so long as it complies with LIHTC Program requirements, provided further that if any such household's income exceeds 140% of the applicable maximum income and if there are

then any units in the Project charging market rate rents, then upon the next vacancy of such a market rate unit, Tenant shall lease such unit in accordance with the second paragraph of Section 3.D of this Exhibit H, and (b) during any period in which a unit is not subject to LIHTC Program restrictions, an Affordable Housing Tenant household will continue to be eligible so long as its income does not exceed 100% of AMI. However, an Affordable Housing Tenant household that no longer meets such criteria may continue to occupy an ARU Unit until the end of the applicable tenant lease term.

(3) ARU Units may not be subleased.

C. Within 15 days following the end of each month, the Tenant shall provide the DHCD with a statement that certifies the following as of the first of such month:

- (1) The address and name of the Project and the name of the Tenant.
- (2) The number of ARU Units by bedroom count and floor area, which are vacant.
- (3) The number of ARU Units by bedroom count and floor area that are leased. For each such unit, the statement shall contain the following information:
 - (i) The unit number, address, bedroom count and floor area.
 - (ii) The Affordable Housing Tenant's name and household size.
 - (iii) The effective date of the Affordable Housing Lease.
 - (iv) The Affordable Housing Tenant's household income as of the date of the lease as certified by such Affordable Housing Tenant and confirmed by acceptable third party verification.
 - (v) The current monthly rent.
 - (vi) The Area Median Income (AMI) level.

The foregoing information can be in the form of a certified rent roll.

(4) That to the best of the Tenant's information and belief, the tenant households who lease ARU Units meet the eligibility criteria established in accordance with the Lease, including, but not limited to, the terms of this Exhibit A and, to the extent applicable, the LIHTC Program requirements.

(5) At the request of DHCD, the Tenant will provide the DHCD with a copy of each new or revised annual tenant verification obtained from the renters of ARU Units pursuant to Paragraph B above.

D. Distribution of Affordable Replacement Dwelling Units by AMI Level and Unit Type. The table below sets forth the number of ARU Units of each unit type that shall be occupied by households having incomes that do not exceed thirty percent (30%), fifty percent (50%) and

sixty percent (60%) of AMI. [Final matrix below will be determined prior to execution of the Deed of Lease, and will be limited to the applicable building.]

Area Median Income (AMI)	One-Bedroom	Two-Bedroom	Three-Bedroom	Total	Percent of Units
30% AMI	6	10	2	18	10%
50% AMI	10	23	6	39	21.5%
60% AMI	19	89	16	124	69.5%
Total	35	122	24	181	100.00%

The parties acknowledge that, based on the annual income recertifications, a tenant's income may move from one designated AMI category to another. As units become vacant, Tenant shall lease such units with households whose incomes fall into a category (based on unit size and AMI) that is under-represented based on the table above. Further, if a given unit is under-represented in more than one AMI category at the time of the vacancy or for example, if a two-bedroom unit becomes vacant and both the 30% AMI and 50% AMI two-bedroom categories are at that time under-represented or then Tenant shall lease such unit to a household whose income falls into the lowest applicable income category.

E. Affordable Replacement Dwelling Unit Rental Pricing. The maximum rent for each ARU Units at each AMI level shall be calculated and reset each year throughout the term of the Lease pursuant to the formula established under the federal LIHTC Program sponsored by the U. S. Treasury and administered by the Virginia Development Housing Authority under Section 42 of the Internal Revenue Code of 1986, as amended from time to time, provided however, that in the event such LIHTC Program should be terminated or discontinued at any time during the term of the Lease, all units shall be deemed to be affordable if the monthly rent for that unit, together with reasonable utility costs, does not exceed thirty percent (30%) of the monthly gross income of a household whose income equals, as applicable, thirty percent (30%), fifty percent (50%) and sixty percent (60%) of the annual AMI as established above. For purposes of establishing the maximum affordable rent, (a) the imputed household size for determining the applicable income limit is assumed to be one person for a unit that does not have a separate bedroom, and 1.5 persons per separate bedroom for a unit with one or more separate bedrooms and (b) the AMI level for each ARU Unit shall be as set forth in Section 3.D above. This method of establishing annual rent will continue to apply to all ARU Units both during and after the period of time that the LIHTC Program is in effect for any of the ARU Units and shall continue through the end of the lease term. Notwithstanding anything to the contrary contained herein, if rental subsidy payments are made to or on behalf of a tenant household under the Section 8 Housing Choice Voucher Program or any other rental subsidy program, then (x) the unit shall be deemed affordable if the tenant's share of rent and utilities does not exceed the maximum amount described above, and (y) such tenant may occupy any ARU Unit as long as the tenant's share of the rent and utilities does not exceed the maximum amount described above and the tenant's household income is at or below the designated AMI applicable to the unit.

F. Eligible Affordable Housing Tenant Household Incomes. The maximum eligible household gross income for Affordable Housing Tenant households for each ARU Unit at each AMI level shall be calculated and reset each year using HUD's annual estimate of AMI for the WMSA as referenced above, adjusted for household size, and, if applicable, applied in accordance with LIHTC Program.

G. Household Size. The minimum household size for any unit shall be one person per bedroom. The maximum household size for any unit shall not exceed the applicable limits of state and local laws and regulations and any limits of federal programs applicable to the Project.

4. Covenants

Prior to the issuance of the first Residential Use Permit for the Project and the offering for rent of any ARU Units, the Tenant shall record covenants running with the land in favor of the Board of Supervisors of Fairfax County in the specific form prescribed by the DHCD that provides that the ARU Units are subject to the Proffers by Lake Anne Development Partners LLC PCA A-502, approved on _____, as the same may be amended (the "Proffered Conditions") setting forth specific terms and conditions, including, but not limited to, that no such unit may be rented for an amount that exceeds the limits set in accordance with this Lease and the Proffered Conditions, that the covenants shall be senior to all instruments securing permanent financing, and that the covenants shall be binding upon all assignees, mortgagees, purchasers and other successors in interest.

5. Occupancy of Affordable Replacement Dwelling Units

A. Before a prospective Affordable Housing Tenant may rent an ARU Unit, he or she must meet the eligibility criteria established in the Lease and this Exhibit A, including, but not limited to the household income limitations for eligible households. The Tenant is responsible for determining that the proposed Affordable Housing Tenant household meets the eligibility criteria applicable to a Affordable Housing Tenant household for the applicable ARU Unit at a particular AMI level.

B. Affordable Housing Tenants must occupy the ARU Units as their domicile and shall provide an executed affidavit on an annual basis certifying their continuing occupancy of the units. Affordable Housing Tenants shall provide such affidavit to the Tenant by the date that may be specified in their Affordable Housing Lease or that may otherwise be specified by the Tenant.

C. The Affordable Housing Lease shall provide that in the event a Affordable Housing Tenant fails to provide Tenant with an executed affidavit as provided for in the preceding paragraph within thirty (30) days after a written request for such affidavit, then the Affordable Housing Lease shall automatically terminate, become null and void, and shall require the occupant to vacate the unit within thirty (30) days after written notice from the Tenant. Tenant shall take appropriate enforcement action when necessary if such Affordable Housing Tenant fails to vacate the applicable unit. Provided Tenant has acted in accordance with the foregoing, a

failure by a Affordable Housing Tenant to vacate a unit will not be considered a Affordable Housing Criteria Default under the terms of the Lease.

D. Except as specifically provided for in the Lease, this Exhibit H, and pursuant to the LIHTC Program (for those ARU Units to which the LIHTC Program is applicable), if a renter of an ARU Unit no longer meets the Affordable Housing Tenant criteria, as a result of increased income or other factors (subject to Section 3.B of this Exhibit H), then at the end of the applicable Affordable Housing Lease term, Tenant shall require the occupant to vacate that ARU Unit and Tenant shall take appropriate enforcement action when necessary if such Affordable Housing Tenant fails to vacate the applicable unit. Provided Tenant has acted in accordance with the foregoing, a failure by a Affordable Housing Tenant to vacate a unit will not be considered a Affordable Housing Criteria Default under the terms of the Lease.

E. The Affordable Housing Lease shall provide that in the event an Affordable Housing Tenant fails to occupy the applicable ARU Unit for a period in excess of sixty (60) days, unless such failure is approved in writing by Tenant, a default under the applicable Affordable Housing Lease shall occur. The Affordable Housing Lease shall automatically terminate, become null and void and Tenant shall require occupants to vacate the ARU Unit within thirty (30) days of written notice from the Tenant and Tenant shall take appropriate enforcement action when necessary if such Affordable Housing Tenant fails to vacate the applicable unit. Provided Tenant has acted in accordance with the foregoing, a failure by a Affordable Housing Tenant to vacate a unit will not be considered a Affordable Housing Criteria Default under the terms of the Lease.

6. Additional Criteria

A. Utility Charges. The rental charges actually collected by Tenant from Affordable Housing Tenants may include or exclude utility charges, at the option of Tenant, and such utility charges may be billed directly from the provider of such utility to the individual Affordable Housing Tenants and/or billed separately by Tenant to the individual Affordable Housing Tenants.

B. Certification of Income. Tenant shall obtain from each prospective Affordable Housing Tenant of an ARU Unit a certification of income in the form attached hereto as Attachment 1 to Exhibit H and made a part hereof, or such other form as approved by Landlord. Annually thereafter, Tenant shall make a determination on the basis of current income of whether the income of any Affordable Housing Tenant exceeds the applicable income limit and shall obtain a recertification of income from all tenants of ARU Units on forms approved by Landlord. Upon request of Landlord, copies of all certifications and recertifications shall be furnished to Landlord. Tenant shall maintain in its records the certifications and recertifications for five (5) years or for such longer periods as may be required by the LIHTC Program.

C. Evidence of Income. In a manner and form agreed to by Landlord and Tenant, Tenant shall obtain written evidence substantiating the information given on the Affordable Housing Tenants' certifications and recertifications of income and shall retain the evidence in its files for a time supportive of the certification requirements of the immediately preceding clause. Attachment 1 hereto sets forth instructions for verifying and calculating incomes.

D. No Restrictions Against Families with Children. Tenant shall not restrict occupancy of ARU Units which can be occupied by more than one person by reason of the fact that there are children in a family.

E. Number of Affordable Replacement Dwelling Units Rented. Tenant shall not permit a Affordable Housing Tenant to rent more than one ARU Unit at any given time.

H. Monthly Reports. Tenant shall prepare, or shall cause the managing agent of the Project to prepare, such reports as may be required by Section 26.09 of the Lease and this Exhibit H.

I. Components of Development.

(i) all of the ARU Units shall be rented or available on a non-transient basis; and

(ii) none of the ARU Units shall be used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanatorium or rest home.

J. Continuance of Rental Restriction. Subject to maintenance and repair of ARU Units in the ordinary course of business, and subject to the casualty and condemnation provisions of the Lease, Tenant shall maintain all of the ARU Units rented or available for rental on a continuous basis.

K. [Intentionally Deleted]

L. Furnishing Tenant Information. Tenant agrees to furnish to Landlord, on an annual basis a Certification of Continuing Program Compliance, attached hereto as Attachment 2 to Exhibit H, or such other form as approved by Landlord, and maintain on file Tenant Income Certifications, in the form attached hereto as Attachment 1 to Exhibit H, or such other form as approved by Landlord, in order to permit verification that the covenants set forth in this Lease and this Exhibit H are being satisfied by Tenant. The Affordable Housing Leases shall contain clauses wherein each Affordable Housing Tenant certifies as to the accuracy of statements made in the Tenant Income Certification and agrees that family income and other eligibility requirements shall be deemed substantial and material obligations of such Affordable Housing Tenant's tenancy, that Affordable Housing Tenant shall comply with all requests for information with respect thereto from Tenant and that failure to provide accurate information on the Tenant Income Certification or refusal to comply with a request for information with respect thereto shall be deemed a violation by such Affordable Housing Tenant of a substantial obligation.

M. Covenant to Notify. Tenant will notify Landlord of the occurrence of any event of which Tenant has notice and which event, to the knowledge of Tenant, would constitute a default in Tenant's obligations under this Exhibit H.

N. Acts Requiring Landlord Approval. Tenant shall not without the prior written approval of Landlord, such approval not to be unreasonably withheld or delayed:

(i) require, as a condition of the occupancy or leasing of any ARU Unit, any consideration or deposit except for an application fee, the prepayment of the first month's rent plus a security deposit in an amount not in excess of two (2) month's gross rent, per

deposits, and, to the extent applicable, such other amounts addressed in paragraph P below. Any funds collected as security deposits shall be kept separate and apart from all other funds of the Project. If interest is earned on such trust account, it shall accrue to the benefit of the Affordable Housing Tenant, unless otherwise required by law or federal or state regulation; or

(ii) permit the use of the ARU Units for any purpose except the use which was originally intended, or permit commercial use greater than that approved by Landlord.

O. Non-Discrimination in Housing. Tenant shall comply with all federal, state, and Fairfax County fair housing laws and equal employment laws and all rules and regulations promulgated in connection therewith.

P. Other Income ó Tenant shall have the right to charge for the following in addition to the rent:

(i) Parking ó (1) one free parking space per unit, and (2) each additional parking space may be charged a monthly amount;

(ii) Laundry - A monthly charge for those Affordable Housing Tenants that elect to lease an in-unit washer and dryer;

(iii) Other Fees ó Other fees including, but not limited to, pet premiums, late charges, administration fees associated with managing and invoice for utilities, NSF Fee, processing fees, early lease termination fees, charges for use of the community laundry facilities, etc.;

(iv) Bulk Cable Charge ó If Tenant installs or causes to be installed the equipment necessary to provide cable, FIOS, telephone, internet, or other related services, then Tenant shall be entitled to charge a fee to Affordable Housing Tenants that elect to use such equipment and additional fees for the related services that such Affordable Housing Tenants elect to use; and

(v) Storage ó A monthly charge to those Affordable Housing Tenants that lease a storage unit provided by Tenant at the Project.

7. LIHTC Program

To the extent any provision of this Exhibit H or the Deed of Ground Lease conflicts with the LIHTC Program laws, regulations, rules and guidance, then the LIHTC Program requirements shall control. This includes without limitation the requirements of Internal Revenue Code Section 42(h)(6)(E)(ii) prohibiting the eviction or termination of tenancy other than for good cause.

Attachment 1

**To
Affordable Replacement Dwelling Units Exhibit H to Agreement of Lease**

INCOME CERTIFICATION

TENANT INCOME CERTIFICATION

☐ Initial Certification ☐ Recertification ☐ Other

 Effective Date:
 Move-in Date:
 (MM/DD/YYYY)

PART I – DEVELOPMENT DATA

Property Name:

BIN#

Address:

Unit #

Bedrooms:

PART II – HOUSEHOLD COMPOSITION

HH Mbr#	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	F/T Student (Y or N)	Social Security or Alien Reg. #
1						
2						
3						
4						
5						
6						

PART III – ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Mbr#	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income

TOTALS	\$	\$	\$	\$
Add totals from (A) through (D), above			TOTAL INCOME (E):	

PART IV INCOME FROM ASSETS

HsHld Mbr#	(F) TYPE OF ASSET	(G) C/I	(H) CASH VALUE OF ASSET	(I) ANNUAL INCOME FROM ASSET

TOTALS:		\$	\$
Total Cash Value	Passbook Rate		
If (H) is over \$5000 \$	X 2.00%	= (J) Imputed Income	\$
Enter greater of total of column I, or J imputed income:		TOTAL INCOME FROM ASSETS (K)	\$
(L) Total Annual Household Income from all Sources		Add (E) and (K)	\$

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

Signature	(Date)	Signature	(Date)
Signature	(Date)	Signature	(Date)

PART V – DETERMINATION OF INCOME ELIGIBILITY

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From item (L) on page 1	\$ 	Household Meets Income Restriction at:	Current Income Limit x 140% \$ _____
		<input type="checkbox"/> 60% <input type="checkbox"/> 50% <input type="checkbox"/> 40% <input type="checkbox"/> 30% <input type="checkbox"/> _____ %	Household Income exceeds 140% at recertification <input type="checkbox"/> Yes <input type="checkbox"/> No
Current Maximum Income Limit per Family Size:	\$ _____		
Household Income at Move-in:	\$ _____	Household Size at Move-in:	_____

PART VI - RENT

Tenant Paid Rent	\$ _____	Rent Assistance:	\$ _____
Utility Allowance	\$ _____	Other non-optional charges:	\$ _____
GROSS RENT FOR UNIT: (Tenant paid rent plus Utility Allowance & other non-optional charges)	\$ 	Unit Meets	<input type="checkbox"/> 60% <input type="checkbox"/> 50% <input type="checkbox"/> 40%
		Rent Restriction at:	<input type="checkbox"/> 30% <input type="checkbox"/> _____ %
Maximum Rent Limit for this unit:	\$ _____		

PART VII – STUDENT STATUS

ARE ALL OCCUPANTS FULL TIME STUDENTS?	IF YES, ENTER STUDENT EXPLANATION* (ALSO ATTACH DOCUMENTATION)	*STUDENT EXPLANATION
<input type="checkbox"/> YES <input type="checkbox"/> NO		1 TANF ASSISTANCE
	ENTER 1 – 4 	2 JOB TRAINING PROGRAM
		3 SINGLE PARENT/DEPENDENT CHILD
		4 MARRIED/JOINT RETURN

PART VIII – PROGRAM TYPE

Mark the program(s) listed below (a. through d.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification.

a. Housing Credit <input type="checkbox"/>	b. HOME <input type="checkbox"/>	c. Tax Exempt <input type="checkbox"/>	d. _____ <input type="checkbox"/> (Name of Program)
<i>Household meets Income Restriction at:</i>	<i>Income Status</i>	<i>Income Status</i>	<i>Income Status</i>
<input type="checkbox"/> ≤ 30% AMGI	<input type="checkbox"/> ≤ 50% AMGI	<input type="checkbox"/> Eligible	<input type="checkbox"/> _____
<input type="checkbox"/> ≤ 40% AMGI	<input type="checkbox"/> ≤ 60% AMGI	<input type="checkbox"/> ≤ 50% AMGI	<input type="checkbox"/> _____
<input type="checkbox"/> ≤ 50% AMGI	<input type="checkbox"/> ≤ 80% AMGI	<input type="checkbox"/> ≤ 60% AMGI	<input type="checkbox"/> Over income**
<input type="checkbox"/> ≤ 60% AMGI	<input type="checkbox"/> Over income**	<input type="checkbox"/> ≤ 80% AMGI	
<input type="checkbox"/> ≤ _____ AMGI		<input type="checkbox"/> Over income**	
<input type="checkbox"/> Over income**			

**Upon recertification, household was determined over-income according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER/AGENT

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended and the Land Use Restriction Agreement (if applicable), to live in a unit of this project.

SIGNATURE OF OWNER/AGENT

DATE

INSTRUCTIONS FOR COMPLETING THE TENANT INCOME CERTIFICATION

This form is to be completed by the owner or its authorized representative.

PART I - DEVELOPMENT DATA

Check the appropriate box for Initial Certification (move-in), Recertification (annual recertification), or Other. If Other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

Move-in Date Enter the date the tenant has or will take occupancy of the unit.

Effective Date Enter the effective date of the certification. For move-in, this should be the move-in date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)certification.

Property Name Enter the name of the development.

Unit Number Enter the unit number.

Bedrooms Enter the number of bedrooms in the unit.

PART II - HOUSEHOLD COMPOSITION

List all occupants of the unit. State each household member's relationship to the head of household by using one of the following coded definitions:

H - Head of Household	S - Spouse
A - Adult co-tenant	O - Other family member
C - Child	F - Foster child(ren)
L - Live-in caretaker	N - None of the above

Enter the date of birth, student status and social security number or alien registration number for each occupant.

If there are more than 6 occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

PART III - ANNUAL INCOME

See HUD Handbook 4350.3 REV-1 for complete instructions on verifying and calculating income, including acceptable forms of verification.

From the third party verification forms obtained from each income source, enter the gross amount anticipated to be received for the twelve months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List the respective household member number from Part II.

- Column (A) Enter the annual amount of wages, salaries, tips, commissions, bonuses and other income from employment; distributed profits and/or net income from a business.
- Column (B) Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
- Column (C) Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.).
- Column (D) Enter the annual amount of alimony, child support, unemployment benefits or any other income regularly received by the household.
- Column (E) Add the totals from columns (A) through (D), above. Enter this amount.

PART IV - INCOME FROM ASSETS

See HUD Handbook 4350.3 REV-1 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

- Column (F) List the type of asset (i.e., checking account, savings account, etc.)
- Column (G) Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within 2 years of the effective date of (re)certification).
- Column (H) Enter the cash value of the respective asset.
- Column (I) Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).

TOTALS Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than \$5,000 you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by 2% and enter the amount in (J), Imputed Income.

- Row (K) Enter the greater of the total in Column (I) or (J).
- Row (L) Total Annual Household Income From all Sources Add (E) and (K) and enter the total.

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than 5 days prior to the effective date of the certification.

PART V – DETERMINATION OF INCOME ELIGIBILITY

Total Annual Household Income
from all Sources..

í í í í í í í ..

Enter the number from item (L).

Current Income Limit per Family
Size

Enter the Current Maximum Move-in Income Limit for the household size.

Household Income at move-in
Household size at move-in

í í í í

Fill this in for recertifications, only. Enter the household income from the move-in certification. On the adjacent line, enter the number of household members from the move-in certification.

Household Meets Income
Restriction at

í í í í í í í í í

Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside(s) for the project.

Current Income Limit x 140%

í í .

For recertifications only. Multiply the Current Maximum Move-in Income Limit by 140% and enter the total. Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

(i) *PART VI – RENT*

Tenant Paid Rent

í í í í í í í .

Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).

Rent Assistance

í í í í í í í ...

Enter the amount of rent assistance, if any.

Utility Allowance

í í í í í í í

Enter the utility allowance. If the owner pays all utilities, enter zero.

Other non-optional charges

í í í .

Enter the amount of non-optional charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.

Gross Rent for Unit

í í í í í í .

Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges.

Maximum Rent Limit for this unit ..

Enter the maximum allowable gross rent for the unit.

Unit Meets Rent Restriction at
í í

Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

PART VII - STUDENT STATUS

If all household members are full time* students, check öyesö. If at least one household member is not a full time student, check önoö.

If öyesö is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

**Full time is determined by the school the student attends.*

SIGNATURE OF OWNER/REPRESENTATIVE

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the tenant(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well trained in Housing Credit compliance.

These instructions should not be considered a complete guide on Housing Credit compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.

Attachment 2
To
Affordable Replacement Dwelling Units Exhibit H to Agreement of Lease

Certification of Continuing Program Compliance

The undersigned hereby certifies that [he][she] is the duly elected or appointed, qualified and acting [_____] of _____, a _____ (the "Tenant"), and that [he][she] has read and is thoroughly familiar with the provisions of the "Affordable Housing Exhibit A to Agreement of Lease", dated as of _____, between the Tenant and BOARD OF SUPERVISORS OF FAIRFAX COUNTY, VIRGINIA ("Landlord") (as amended from time to time, the "Affordable Housing Exhibit").

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Affordable Housing Exhibit.

As of the date of this Certificate, the following percentages of completed residential units in the Development (i) are occupied by tenants which qualify as "Affordable Housing Tenants" under the Affordable Housing Exhibit ("Qualifying Tenants") or (ii) are currently vacant and being held available for such occupancy and have been so held continuously since the date a Qualifying Tenant vacated such unit; as indicated:

Qualifying Tenants

Occupied: _____%

Held vacant for occupancy
continuously since last
occupied by Qualifying
Tenant: _____%

Apartment Project Name:

List of Affordable Housing Tenants:

Unit #	Family Name	Monthly Date of Initial Occupancy	Utility Monthly Gross Income	Monthly Cost	Rent
			<u>Yes</u>	<u>No</u>	

The undersigned hereby certifies that no Default or Event of Default has occurred

and is continuing under any Loan Document with the exception of the following:

[None]

List applicable Defaults and Events of Default]

By:

[]

Dated: []